

Rule 6004-1. Notice of Sale of Property.

(A) On Whom Served. Unless otherwise ordered by the court, notice of any use, sale, or lease of property shall be sufficient if served on the debtor, the debtor's attorney, the trustee, the trustee's attorney, the U.S. trustee, any party holding an interest in the property, all parties who have filed notices of appearance or requests for copies of notices, and all creditors. In a chapter 11 case, the notice need not be served on any creditors except those who are members of any creditors' committee formed under 11 U.S.C. § 1102 or when applicable, those creditors pursuant to Local Rule 2002-1(K); provided, however, that when the proposed use, sale, or lease is of substantially all the property of the estate notice must also be served on all creditors.

✎ 2002 Amendment: Subdivision (A) amended to incorporate reference to Local Rule 2002-1(K).

[Comment: See also Bankruptcy Rules 2002(h) and 2002(i) and Local Rule 2002-1(F).]

(B) Use, Sale, or Lease on Negative Notice. Unless otherwise ordered by the court, notice of a proposed use, sale or lease of property, other than cash collateral, not in the ordinary course of business, pursuant to Bankruptcy Rule 6004(a) and 11 U.S.C. § 363(b), shall include above the preamble and below the title of the notice the following bulletin in print either highlighted or bold so as to make it more prominent than the remainder of the text:

Pursuant to Bankruptcy Rule 6004 and Local Rule 6004-1(B), this proposed use, sale or lease will be deemed approved without necessity of a hearing or order if no objection to the use, sale or lease is filed and served within 20 days from the date of service of this notice.

An interested party's failure to timely file an objection shall be deemed a consent to the use, sale, or lease. If no objection is filed or served, the proponent shall file a report certifying the lack of any response and the effectuation of the use, sale, or lease. If the proponent requests an order, the proponent shall submit a copy of the agreement of sale together with the Local Form "Certificate of No Response or Settlement" and the proposed order. If the agreement is voluminous, the basic sale terms may be described in the "Certificate of No Response or Settlement" instead of attaching a copy of the agreement. If an objection to the proposed use, sale, or lease of property is received or filed, the proponent of the use, sale, or lease of property shall promptly submit the Local Form "Certificate of Contested Matter", accompanied by the Local Form "Notice of Hearing".

[Comment: This rule applies only to notices of a use, sale or lease of property under Bankruptcy Rule 6004(a) and 11 U.S.C. § 363(b). Motions to approve sales under Bankruptcy Rule 6004(c) and 11 U.S.C. § 363(f), (g) and (h) and motions for use of cash collateral under 11 U.S.C. § 363(c)(2) and Bankruptcy Rule 4001(b) are governed by Local Rule 9013-1(D)(4)(c)(ii) and 9013-1(G). Notices of sale do not require orders to effectuate the sale if no objection is filed. Nevertheless, this rule allows the proponent to submit an order where an order approving the sale is requested by the proponent for title or reporting purposes.]